Confidential Claim Retracted

Authorized by:

Real Estate Ser Code 320



UNITED STATES DEPARTMENT OF THE INTERIOR

BUREAU OF INDIAN AFFAIRS

ALBUQUERQUE AREA OFFICE P. O BOX 8327 ALBUQUERQUE NEW MEXICO 87108

Memorandum

MAY 2 2 1979

To:

Superintendent, Southern Pueblos Agency

From:

Area Director

Subject: U. S. Geological Survey's Recommendations on Performance

Bond - The Anaconda Company - Laguna Uranium Leases

Attached is a copy of the February 14 memorandum from the Area Mining Supervisor (AMS) recommending an increase in the Performance Bond furnished by The Anaconda Company on their Laguna uranium leases.

This memorandum was discussed with several members of your staff in a meeting at your office late last February, attended by Patrick Wehling, Area Realty Officer, and John Rhodes, Area Mining Engineer. The meeting was to decide on an approach for preparing a report covering a review of The Anaconda Company's mining plantand although the USGS bond recommendation was discussed, no decision on the matter was made.

In the memorandum, the AMS recommends a maximum bond of \$10,000,000. He mentions that some consideration in the amount should be given for previous reclamation work completed and for the reputation and integrity of the mining lessee. Also, the amount of the bond should be reflective of the reclamation responsibilities and obligations of the lessee who is presently mining under the very ambiguous reclamation terms and conditions of the original leases.

Mr. Rhodes intended to send a copy of this memorandum to you but our file doesn't indicate he did. He recommends that, possibly, you might consider increasing the bond to \$1,000,000 pending completion and approval of The Anaconda Company's mining plan. After the plan is approved, we could again consult with USGS to ascertain the adequate amount of bond necessary to ensure full compliance with the terms and stipulations in the approved plan and adjust the bond accordingly.

> (Sgd) Merritt E. Youngdeer, Sr. aring Area Director

Attachment

cc: WSGS. Area Mining Supervisor, Albuq.

U.S. GEOLOGICAL SURVE ALBUQUERQUE, NEW MEX".



POL-EPA01-0007021